1994-95 budget are application of uniform rates for similar commodities to the extent possible and reduction of the number of special exemptions.

(c) and (d) Cigarette is levied specific rate of excie duty based on length of cigarette mainly on administrative considerations. As revenue depends on number of factors, it would not be possible to say that advalorem duty on cigarette would bring more revenue.

(e) Cigarette is levied specific rate of excise duty mainly on administrative considerations.

(f) The revenue gain estimated to be around Rs. 300 crores for the full year due to increase in excise duty on cigarettes in the budget for 1994-95. At current level of productions, reduction in excise duty on non-filter cigarettes of length not exceeding 60 mm. is not expected to have significant revenue implication.

Import duty on synthetic resins

2685. SHRI SOM PAL: Will the Minister of FINANCE be pleaseed to state:

(a) what is the current import duty on the synthetic resins;

(b) whether it is a fact that the current high rates of these duties are acting as an incentive for clandestine imports, based on over-invoicing under the value based advance licensing scheme offered to exporters;

(c) whether it is a fact that the high rates of duty are designed to protect the indigenous manufacturers of these resins;

(d) if so, what is the total and unit-wise installed capacity, production and market-share of various manufacturers;

(e) whether thesee resins are used as base-materials for manufacturing of numerous items;

(f) if so, what are the details thereof;

(g) whether the manufacturers of these goods are representing for lowering the import and excise tariff on resins in the interets of cost ecectiveness and competitiveness asd competitive strength in international market; and

(h) if so, what is the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The current general effective rates of basic customs duty on plastic resins are as given below:

(i) Polyvinyl cloride and copolymers of vinyl cloride-45 per cent ad valorem;

(ii) Polystyrene and copolymers of styrene (other than ABS and SAN) 55 per cent ad valorem;

(iii) Cellulose and its chemical derivatives, in primary forms—55 per cent ad valorem;

(iv) Polyphenylene oxide including modified polyphenylene oxide, polyacetals and polycarbonates—50 percent ad valorem;

(v) All other resins—65 per cent ad valorem;

(b) The value based advance licensing scheme is an incentive scheme to promote exports and cannot be correlated to the general effective rate of import duty on any goods.

(c) Import duty rates on plastic resins are prescribed after taking into account various factors such as the international prices of these resins, the demand supply situation in the country, etc. The need to protect the indigenous industry is also one of the factors.

(d) Due to delicensing of most plastic resins, complete data on the unit-wise installed capacity, market share, etc. are not available. However, details of production and installed capacity on respect of some major resins are given below:

	Production (April—December, 1993)	Installed Capacity (1992-93)
(1) LDPE	122933	192000
(2) HDPE/LLDPE	169728	345000
(3) PS	28607	40000
(4) PP (incl. co-polymers)	60520	115000
(5) PVC	263018	283240

(All figures in Metric tonnes)

(e) Yes, Sir.

(f) These resins are used in the manufacture of water tanks, stretch cling film, injection moulded items containers, automobile components, synthetic woven sacks and various other applications.

(g) and (h) Manufacturers of plastic articles had sought for reduction in customs and excise duty on certain resins in order to reduce their costs increase competitiveness, etc. These repesentations as well as those from other sectors of the industry were considered as part of the Budget exercise for the year 1994-95 and certain changes in duty rates have been made. On the customs side, the duty on all resins which were attracting an import duty higher than 65 per cent ad valorem before the Union Budget, 1994-95 has been reduced to 65 per cent and excise duty on bulk polymers has been reduced from 35 per cent ad valorem to 30 per cent ad valorem.

Fradulent deals between share brokers and Allahabad Bank

2686. SHRI RAFIQUE ALAM: Will the Minister of FINANCE be pleased to state:

(a) whether investigation has been completed on fraudulent deals entered into share brokers and Allahabad Bank, Kanpur Branch;

(b) whether similar frauds were committed with the Punjab National Bank branches in Kanpur; and

(c) if so, the facts and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. ABRAR AHMED): (a) No, Sir.

(b) and (c) Punjab National Bank has reported that a fraud has taken place at its Stok Exchange Branch, Kanpur, where the Branch Manager had allowed withdrawls against uncleared cheques in two current accounts. The cheques were subsequently received back unpaid which resulted in clean overdraft to the extent of Rs. 124.54 lakhs. The bank has further reported that F.I.R. has been lodged against one of the parties. The bank has also placed the concerned Branch Manager under suspension.